SHRI MOTILAL VORA:l want to know from the hon.Minister... *(Interruptions)*...

THE DEPUTY CHAIRMAN: First, let him reply... *{Interruptions)*... If you interrupt, he would not be able to reply, because the time is very short.

SHRI MOTILAL VORA: Madam, I want to know from the hon. Minister. What has the Central Government done is this regard?

SHRI ARJUN CHARAN SETHI: Madam, the Central Government is providing funds to different States under different schemes. For example, under the Accelerated Irrigation Benefit Programme, we have been providing assistance since 1996 and, till date, we have provided Rs. 8,400 crores to help completion of the on-going projects. Similarly, we have been providing funds to the States under different schemes.

Unless there is a co-operation between the Centre and the State Governments, it will be very difficult to solve the problem. Madam, it is unfortunate that water has become a very contentious issue. On the issue of water, different States are fighting and we, at the Centre, are trying our best to solve them. It is not only me but the hon. Prime Minister also intervened and seized of the issue of Cauveri dispute. From time to time, the hon.Prime Minister is calling the hon. Chief Ministers of the concerned States to resovle the issue. Unfortunately, it has not been solved. But it is our endeavour to sovle this issue so that the problems arising due to floods and drought could be solved.

SHRI J. CHITHARANJAN: Madam, he has not replied to my question.

THE DEPUTY CHAIRMAN: Question Hour is over.

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## WRITTEN ANSWERS TO STARRED QUESTIONS

### Norms for Maximum Permissible Bank Finance

*221. SHRI SUKHDEV SINGH LIBRA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Reserve Bank of India has laid certain norms for fixing the MPBF for the corporate customers taking into consideration the receivables of associate group of companies like investment made by the holding companies in the associate group of companies; and

(b) if so, what are the guidelines given to public sector banks for assessment of working captial finance of corporate customers/existing borrowers?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) Reserve Bank of India (RBI) had, in 1975, prescribed norms for fixing Maximum Permissible Bank Finance (MPBF), based on the recommendations of a Study Group headed by the then Chairman of Punjab National Bank. Over the years, various improvements have been introduced in the loan delivery system. In April, 1997, norms for assessment of working capital needs, based on the concept of MPBF, were withdrawn by RBI. Banks are now free to evolve, with the approval of their Board of Directors, methods for assessing the working capital requirements according to their own perception of the borrower, also the credit needed by the borrower, Banks have been advised to lay down transparent policy and guidelines for credit dispensation in respect of each broad category of economic activity. Banks, do however, continue to be governed by the exposure norms relating to single/group borrower(s) and pudential norms prescribed by RBI.

**Smuggling of Narcotic Substances**

*224. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that in the recent past, there has been an increase; in smuggling of heroin, opium and other prohibited narcotic substances into the country;

(b) if so, the details of heroin, opium, etc., seized by police in different States during the last three years, year-wise, State-wise; and

(c) the steps taken or proposed to be taken to check this menace?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) No, Sir. Seizures do not indicate any significant increase in the smugling of heroin, opium and other prohibited narcotic drugs into the country.

(b) State-wise details, of all types of drugs seized by the State Police and other Agencies during the years 1999, 2000 and 2001 is enclosed in the Statement *{See* below).